



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

January 24, 2007

Mrs. Theresa Tokach, Treasurer  
North Dakota Republican Party  
1029 N 5th Street  
Bismarck, ND 58501

**Response Due Date:**  
**February 26, 2007**

Identification Number: C00018929

Reference: Amended May Monthly Report (4/1/06-4/30/06), received 10/11/06

Dear Mrs. Tokach:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-The beginning cash balance of this report should equal the ending balance of your Amended April Quarterly Report (1/1/06-3/31/06), received 9/13/06. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-The totals listed on Lines 6(c), 7, 14, 17, 19, 20, 21(a)(i), 21(a)(ii), 21(c), 26, 31, and 32, Column B of the Summary and Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-Schedule C-1 of your report indicates that the amount of the line of credit obtained from Starion Financial is \$20,000; however, your committee appears to have made draws from this line of credit on 7/29/04, 9/28/04, and 10/28/04 totaling \$63,700. Furthermore, \$7,000 in payments-to-date have been disclosed on Schedule C. Please be advised that the "Amount of Loan" field on Schedule C-1 should disclose the full amount of the line of credit, while Line B of Schedule C-1 is used to disclose the amount of each draw from the line of credit. Additionally, you disclose the outstanding

balance at the close of the period for this line of credit to be \$18,700. Please be advised that this amount should be calculated by adding the cumulative draws less any repayments made. Please amend your report to clarify these apparent discrepancies.

-Schedule C-1 of your report discloses draws on a line of credit from 7/29/04, 9/28/04, and 10/28/04. Line A, supporting Schedule C-1 indicates that the line of credit was restructured, however, you disclose the date that the line of credit was restructured as the same date that the line of credit was incurred. Please be advised that the "Date incurred or Established" field on Schedule C-1 should indicate the date the loan agreement or restructured agreement was signed, while the date on Line A should disclose the date the line of credit or loan was initially established. Please amend your report to clarify these apparent discrepancies, provide the current status of the line of credit and disclose the current terms and conditions if the line of credit has been renegotiated. 11 CFR §100.82(a)

-Schedule C of your report discloses an \$18,700 draw from a line of credit incurred by your committee with a due date of 10/28/06; however, Schedule C-1 of your report discloses the due date of this loan to be 7/29/07. Please amend your report to clarify this discrepancy.

-Schedule C of your report discloses a \$25,000 draw from a line of credit with an interest rate of 4.25%. However, Schedule C-1 of your report discloses the interest rate of this loan to be "none." Please be advised that a loan with an interest rate of 0% does not satisfy the criteria set forth in 11 CFR §100.82 and is considered a prohibited contribution from the lending institution. Further, 2 U.S.C. §441b(a) prohibits the receipt of contributions from lending institutions, corporations, and labor organizations unless made from a separate segregated fund established by that entity. If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.


-For future reporting, please note that your Committee must continuously report the status of loans on Schedule C, but need only file a new Schedule C-1 each time the loan or line of credit is restructured or a draw on the line of credit is made.

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply

with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1136.

Sincerely,

Sincerely,  
  
Jodi Winship

Jodi Winship  
Senior Campaign Finance Analyst  
Reports Analysis Division

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